

P R 202041Z MAR 08
FM SECSTATE WASHDC
TO AMEMBASSY BERLIN PRIORITY
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE
AMEMBASSY ABU DHABI
AMCONSUL DUBAI

S E C R E T STATE 029412

SIPDIS

E.O. 12958: DECL: 03/20/2033

TAGS: [PARM](#) [PREL](#) [ETTC](#) [MTCRE](#) [KSCA](#) [GM](#) [IR](#) [AE](#)

SUBJECT: (U) PROVIDING THE FRG WITH ADDITIONAL INFORMATION
ON IRANIAN MISSILE PROGRAM'S EFFORTS TO PROCURE GERMAN
TEST AND MEASUREMENT EQUIPMENT

REF: A. 07 STATE 074940

[B](#). 07 BERLIN 001138

[C](#). 07 BERLIN 001733

[D](#). 07 STATE 146193

[E](#). BERLIN 000135

[F](#). PETERSEN-HERRMANN E-MAIL

Classified By: ISN/MTR OFFICE DIRECTOR PAM DURHAM FOR REASON
1.4 (B), (D).

[1](#). (U) This is an action request. Please see
paragraph 8.

[2](#). (S) Background: In June 2007 we advised German
officials that as of late April 2007, an entity
affiliated with the Shahid Hemmat Industrial Group
(SHIG - Iran's leading developer of liquid-propellant
ballistic missiles) was seeking test and measurement
equipment manufactured by the German-based firm Rohde &
Schwarz via a United Arab Emirates (UAE)-based
intermediary (Refs A & B).

[3](#). (S) In September, German MFA officials told us that
the Federal Economic and Export Licensing Agency (BAFA)
could not identify any export that corresponded with
the information we provided (Ref C). Nonetheless, BAFA
approached Rohde & Schwarz to sensitize the firm to the
issue. Rohde & Schwarz representatives indicated that
they were currently not in contact with SHIG, nor had
they ever done business previously with the
organization. They also said they were unaware of any
middleman in the UAE. (Note: German officials did say
that in May 2006, Rohde & Schwarz had applied for a
license to export a spectrum analyzer to Iran's
Ministry of Information and Communication, but BAFA
officials refused the request. We have no information
suggesting a linkage with the current case. End note.)

[4](#). (S) In October 2007, we provided the German
government information indicating that as of late
August, an agent for SHIG ordered a Rohde & Schwarz
SMU200A signal generator from the same or a related
UAE-based intermediary (Ref D). We also stressed that
while Rohde & Schwarz advised German officials that it
had never had any contact with SHIG, the Iranian
missile entity often conducts its business through
front companies and foreign based middlemen who could
pose as end-users.

[5](#). (S) In response to our October demarche, FRG
officials advised us that the German Federal Office of
Economics and Export Controls (BAFA) had contacted
representatives of Rohde and Schwarz to sensitize them
to the matter, but was unable to verify that the firm
had been contacted by a UAE-based entity (Ref E). Our
German interlocutors inquired about the possibility of
sharing the names of possible intermediary firms acting
on behalf of SHIG. BAFA officials plan to use the list
to ask Rohde and Schwarz representatives to verify that

the firm has not been contacted by the UAE intermediaries. Otherwise, according to German officials, it will be difficult under German law for BAFA to investigate the matter further.

¶16. (S) In a February 2008 meeting, German MFA officials reiterated to Embassy Berlin the German request for the names of specific UAE-based intermediaries involved in the procurement of a Rohde and Schwarz-manufactured signal generator (Ref F). The German government emphasized that it is not interested in knowing how such information was obtained, but simply would like to know who the entities are in order to facilitate its investigation.

¶17. (S) Objective: We now want to provide German officials with information identifying names that the UAE-based intermediary could be using in its efforts to procure Rohde & Schwarz equipment on behalf of Iran's ballistic missile program. (Note: We have not shared this information with the UAE. End note.)

¶18. (S) Action Request: Department requests Embassy Berlin approach appropriate host government officials to deliver the talking points in Paragraph 9 and report response. Talking points may be left as a non-paper.

¶19. (S) Begin talking points/non-paper:

(SECRET//REL GERMANY)

-- In the spirit of nonproliferation cooperation, we would like to provide your government with information it requested related to a matter of proliferation concern.

-- In early June 2007, we shared with your government information indicating that as of late April 2007, an entity associated with Iran's primary liquid-propellant ballistic missile developer - the Shahid Hemmat Industrial Group (SHIG) - expressed interest in electronic test and measurement equipment manufactured by the German firm Rohde & Schwarz.

-- The Iranian entity was seeking information on a number of Rohde & Schwarz items from a United Arab Emirates (UAE)- based intermediary.

-- Among these items were a spectrum analyzer, tracking generators, signal generators, attenuators and related software.

-- We subsequently advised you that in late August 2007, an agent for SHIG ordered a Rohde & Schwarz SMU200A signal generator from the same or a related UAE-based intermediary.

-- In December, you requested the identity of the UAE entity involved in this activity.

-- The UAE intermediary may be using one of the following names:

- Sanaei International Partners
- Hassan and Sanaei Trading Company LLC
- Akbar Mohd Qanat Besha LLC

-- As we explained previously, we understand that the delivery of this equipment was scheduled to take place 4 to 6 weeks after placement of the order and receipt of an advance payment, which had been made as of late August.

-- We do not know if the equipment has been delivered yet, nor do we know if Rohde & Schwarz is aware of the Iranian interest in its products, but would expect that any export of this equipment would require an export license.

-- We hope this information is useful to your export licensing review, and urge you to scrutinize any export request submitted by Rohde & Schwarz destined for either Iran or the UAE.

-- We look forward to continuing cooperation with your government on nonproliferation issues and would appreciate hearing the results of your inquiries.

End talking points/non-paper.

¶10. (U) Please contact ISN/MTR's John Paul Herrmann with any questions or follow-up related to this case (202-647-1430 - herrmannjp2@state.gov or herrmannjp@state.sgov.gov) and slug reporting on this issue for ISN/MTR and EUR/PRA.

¶11. (U) A word version of this document will be posted at www.state.sgov.gov/demarche.
RICE

NNNN

End Cable Text